

**INSURANCE/COUNTY CODE**

Funding history at a glance:

<u>FY 2009 Actual</u>	<u>FY 2010 Actual</u>	<u>FY 2011 Actual</u>	<u>FY 2012 Budgeted</u>	<u>FY 2013 Recommended</u>	<u>Increase (Decrease)</u>	<u>% Change</u>
\$146,298	\$157,067	\$192,408	\$227,800	\$296,203	\$68,403	30.03

Includes:

- 1) Increase for Line of Duty Act insurance (mandate)
- 2) Increase for OPEB liability (mandate)

	----- Prior Years -----		----- Current Year -----		-----2012/2013 Budget Year-----			
	Expenditure 2008/2009	Expenditure 2009/2010	Expenditure 2010/2011	Adopted Budget	Actual Bn 2012/02	Department Request	County Admin Recommends	Adopted Budget
* INSURANCE/CD CODE *								
012550 HOSPITAL PLAN	53,779	64,745	85,788	13,200	26	13,208	13,208	
012550-2300 UNEMPLOYMENT INSURANCE				59,500		58,000	58,000	
012550-2700 WORKER'S COMPENSATION				32,200	29,138	33,222	33,222	
012550-2750 LINE OF DUTY ACT/INS.				48,000	48,000	134,000	134,000	
012550-2800 OPER LIABILITY	16,000	16,000	32,000	2,000		2,000	2,000	
012550-3170 COUNTY CODE UPDATE	3,883	1,706	1,707	47,000	29,535	30,273	30,273	
012550-5304 PROPERTY INSURANCE	44,454	50,148	48,253	9,500	8,999	9,300	9,300	
012550-5305 MOTOR VEHICLE INSURANCE	12,219	9,861	8,346	16,400	15,575	16,200	16,200	
012550-5308 LIABILITY INSURANCE	15,963	14,621	16,314	227,800	192,177	236,203	236,203	
--TOTAL DEPARTMENT--	146,298	157,067	192,408	227,800	192,177	236,203	236,203	
TOTAL - * INSURANCE/CD CODE *	146,298	157,067	192,408	227,800	192,177	236,203	236,203	
TOTAL FOR FUND	146,298	157,067	192,408	227,800	192,177	236,203	236,203	
FINAL TOTAL	146,298	157,067	192,408	227,800	192,177	236,203	236,203	

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	----- Prior Years -----		----- Current Year -----		--2012/2013 Budget Year--		
	Expenditure 2008/2009	Expenditure 2009/2010	2010/2011	Adopted Budget	Actual Bn 2011/12	Request	County Admin Recommends
* INSURANCE/CD CODE *							
012550							
012550-2300							
012550-2600							
012550-2700							
012550-2750							
012550-2800							
012550-3170							
012550-5304							
012550-5305							
012550-5308							
--TOTAL DEPARTMENT--							

296203 296203

INITIAL - *	INSURANCE/CD CODE *	146,298	157,067	192,408	227,800	178,164

TOTAL FOR FUND	146,298	157,067	192,408	227,800	178,164
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FINAL TOTAL	146,298	157,067	192,408	227,800	178,164
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# COMMONWEALTH OF VIRGINIA

VIRGINIA EMPLOYMENT COMMISSION

703 EAST MAIN STREET

P.O. BOX 1358

RICHMOND, VIRGINIA 23218

COUNTY OF SOUTHAMPTON  
P O BOX 400  
COURTLAND VA 23837

RECEIVED DEC - 7 2011

DECEMBER 1, 2011

Calendar Yr 2010 .0078  
Calendar Yr 2011 .0097  
Calendar Yr 2012 .0103

ACCOUNT # 0001889575

FED ID # 54-6001618

THIS IS NOT A BILL  
**TAX RATE NOTICE**  
FOR CALENDAR YEAR 2012

FISCAL YRS JUL 1 JUN 30	UNEMPLOYMENT BENEFITS PAID	TAXABLE PAYROLL	FUND BALANCE FACTOR 50%
2007-2008	4,161.00	1,525,406.31	Included in your tax rate:
2008-2009	1,307.00	1,527,156.43	Base Tax Rate .30%
2009-2010	2,892.00	1,492,199.01	Pool Cost Charge .53%
2010-2011	3,094.00	1,594,326.38	Fund Building Charge .20%
	11,454.00	6,139,088.13	BENEFIT RATIO 0.2
			TAX RATE 1.03%

SEE REVERSE SIDE FOR EXPLANATION OF THIS NOTICE  
Taxable wage base is \$8000.00.

Multiply by .0103  
on your Quarterly Tax Report  
Form VEC-FC-20

## EMPLOYER'S STATEMENT OF BENEFIT CHARGES & TAXES PAID

ACCOUNT NUMBER	TAXES PAID	BENEFITS PAID	FISCAL YEAR
0001889575	14,958.27	3,094.00	2010-2011

INQUIRIES REGARDING THIS NOTICE MAY BE MADE BY CALLING OR WRITING THE APPROPRIATE OFFICE LISTED BELOW.

Regarding Tax Rate Questions: (804) 786-3066. For written inquiries, use the address shown in the letterhead, ATTN: Employer Accounts Unit.

Regarding Delinquent Tax Rate: (804) 786-3061. For written inquiries, use the address shown in the letterhead, ATTN: Auditing Unit.

Regarding Benefits Paid: (804) 786-6921. For written inquiries, use address P.O. Box 2249, Richmond, Virginia 23218-2249  
ATTN: Benefit Payment/Charge Unit.

2-131



**VACORP**

**Virginia Association  
of Counties Group  
Self Insurance  
Risk Pool**

**2012-2013  
Renewal Quotation for  
Self Insurance for  
Workers' Compensation  
& LODA**

**Proposal to  
Southampton County**

**Presented on  
March 19, 2012**

Package coverages, terms,  
conditions and exclusions  
are only briefly outlined.  
For complete provisions  
please refer to the  
coverage contract.

Virginia Association of Counties Group Self-Insurance Risk Pool

# Southampton County

## CONTRIBUTION SUMMARY FORM

	Coverage	Deductible	Contribution
I	<b>Property</b> – “All Risks”; Replacement Cost; No Coinsurance; Blanket	N/A	N/A
	<b>Computers</b>	N/A	N/A
	<b>Inland Marine</b> – Replacement Cost if Reported, Otherwise Actual Cash Value	N/A	N/A
II	<b>General Liability</b> – \$2,000,000 Combined Single Limit; Occurrence Form; No Annual Aggregate; Non-audited	N/A	N/A
III	<b>Law Enforcement Liability</b> – N/A	N/A	N/A
IV	<b>Automobile</b> – \$2,000,000 Combined Single Limit	N/A	N/A
	Comprehensive/Collision on All Autos; Automatic Coverage for Additions; Non-audited	N/A	N/A
V	<b>Public Officials Liability</b> – N/A	N/A	N/A
VI	<b>Crime</b> – Blanket \$250,000 Faithful Performance; In/Out Robbery; Counterfeit; Forgery; Computer Fraud	N/A	N/A
VII	<b>Increase Limits</b> for GL and Auto Liability to N/A	N/A	N/A
VIII	<b>Environmental Liability</b> - N/A	N/A	N/A
IX	<b>Workers’ Compensation</b> Coverage A – Statutory Coverage B – \$1,000,000	None	\$ 72,324
X	<b>Line of Duty</b>	None	\$33,222

Total Annual Contribution	\$105,546
<b>Boiler &amp; Machinery</b> – \$1,000 Deductible	N/A
Dividend Rate Credit (subject to SCC approval)	N/A
Dual Program Discount, if applicable	N/A
<b>GRAND TOTAL CONTRIBUTION</b>	<b>\$105,546</b>

Quarterly installment payment terms available for workers’ compensation & LODA coverages.

## WORKERS' COMPENSATION

### Coverage:

Workers' compensation coverage is provided in accordance with and limited to the Virginia Workers' Compensation Act and Employers Liability.

### Employers' Liability:

Bodily Injury by Accident -	\$1,000,000
Bodily Injury by Disease (per person) -	\$1,000,000
Bodily Injury by Disease (per accident) -	\$1,000,000

The classifications and codes shown are established by the National Council on Compensation Insurance (NCCI) and are the same as those used by insurance companies in Virginia.

<u>CLASSIFICATION</u>	<u>CODE</u>	<u>PAYROLL</u>	<u>RATE</u>	<u>CONTRIBUTION</u>
Waterworks and Drivers	7520	301,790	3.10	9,355
Sewage Disposal & Drivers	7580	284,509	2.03	5,776
Police Officers & Drivers	7720	2,690,991	1.55	41,710
Clerical	8810	1,668,042	.10	1,668
Attorney-All Employees	8820	397,800	.08	318
Building Operation	9015	137,539	2.13	2,930
Garbage Collections & Drivers	9403	439,306	4.75	20,867
Municipal Employees, NOC	9410	183,845	1.81	3,328
		6,103,822		
Manual Contribution				85,952
Experience Modification				0.96
Modified Contribution				82,514
Premium Discount				(10,190)
Scheduled Debit/Credit				(0)
Total Estimated Contribution				72,324

Rates have been filed with and are subject to approval by the State Corporation Commission.

Workers' Compensation Coverage Contribution is payable in equal quarterly installments.



## LINE OF DUTY

### Coverage:

VACORP will pay on your behalf all Line of Duty Act (LODA) claims approved by the State Comptroller and which fall within one of the following categories:

1. **LODA claims** that occur between 7/1/2012 and 7/1/2013
2. Unknown LODA claims that have occurred between 7/1/2007 and 7/1/2012 but have not been reported prior to July 1, 2012. This allows for the five year statute of limitations for filing claims with the Virginia Department of Accounts and is called **Prior Acts** coverage
3. Ongoing costs payable on existing, active LODA claims incurred by your entity, also known as **Past Liabilities**

### Benefits:

All benefits paid are subject to approval by the State Comptroller and may include:

- Death Benefit of \$100,000 (\$25,000 if within 5 years of retirement)
- Continuation of Health Insurance Benefits for:
  1. Officer (in case of Permanent Disability)
  2. Spouse (in case of Officer Death or Permanent Disability)
  3. Children (in case of Officer Death or Permanent Disability) to age 21; students to age 25

Line of Duty Act Coverage for Eligible Staff:		Annual Contribution
<b>Claims Occurring 7/1/2012 through 7/1/2013</b>		
61	Paid Staff at \$210.00	\$12,810
324	Volunteers at \$63.00	\$20,412
<b>Past Liabilities of Known Active Claims</b>		
61	Paid Staff at \$0	\$0
<b>Total LODA Contribution Including Past Claims</b>		<b>\$33,222.00</b>

**Line of Duty Act Coverage Contribution is payable in equal quarterly installments.**



**SOUTHAMPTON COUNTY GOVERNMENT  
LINE OF DUTY ACT BENEFITS COVERAGE  
FISCAL IMPACT ANALYSIS - COMPARING VRS to VACORP**

**VRS CONTRIBUTION RATES**

	2012 Actual	2013 Projected	2013 Actual	2014 Projected	2015 Projected
VRS LODA Rates	233.89	365.70	474.14	521.97	642.47
<b>SOUTHAMPTON COUNTY GOVERNMENT</b>					
Number of Eligible Paid Personnel	62.0	61.0	61.0	61.0	61.0
Paid Personnel Cost	14,501.18	22,307.70	28,922.54	31,840.17	39,190.67
Number of Eligible Volunteers	307	324	324	324	324
Volunteer Personnel Cost	17,951.06	29,621.70	38,405.34	42,279.57	52,040.07
<b>Expected Annual Cost-VRS</b>	<b>32,452.24</b>	<b>51,929.40</b>	<b>67,327.88</b>	<b>74,119.74</b>	<b>91,230.74</b>

**VACORP CONTRIBUTION RATES**

	2012 Actual	2013 Projected	2013 Actual	2014 Projected	2015 Projected
LODA Past Liabilities Contribution	0.00	0.00	0.00	0.00	0.00
VACORP LODA Rate	210.00	220.50	210.00	220.50	231.53
Total Rate Per Paid Personnel	210.00	220.50	210.00	220.50	231.53
<b>SOUTHAMPTON COUNTY GOVERNMENT</b>					
Number of Eligible Paid Personnel	62.0	61.0	61.0	61.0	61.0
Paid Personnel Cost	13,020.00	13,450.50	12,810.00	13,450.50	14,123.03
Number of Eligible Volunteers	307	324	324	324	324
Volunteer Personnel Cost	16,117.50	25,004.70	20,412.00	25,004.70	26,254.94
<b>Expected Annual Cost-VACORP</b>	<b>29,137.50</b>	<b>38,455.20</b>	<b>33,222.00</b>	<b>38,455.20</b>	<b>40,377.96</b>
<b>Comparative Difference</b>	<b>3,314.74</b>	<b>13,474.20</b>	<b>34,105.88</b>	<b>35,664.54</b>	<b>50,852.78</b>

**NOTE: FY13 Projected v. Actual Rates: VRS increased 30%, VACORP reduced 5%**

For illustration purposes only

VRS Rates approved December 2011: <http://www.varetire.org/Employers/Update/2012/Jan.asp#two>

	PREMIUM	PREMIUM	DISCOUNTED
SALARIES	@RATE	W/EXP MOD	PREMIUM

2-137



## Lynette Lowe

**From:** Lynette Lowe [llowe@co.southampton.state.va.us]  
**Sent:** Wednesday, December 14, 2011 9:43 AM  
**To:** 'David Boomershine'  
**Subject:** RE: Adjusted 2011 phase-in contributions

Thank you for sharing. I will inform Mike. So does this mean for FY2012 and for FY2013 we should increase the contribution each year by \$26,000? For FY2012 = \$78,000 and for FY2013 = \$104,000...then when the valuation is completed again in two years I will get new updated figures to determine the next two years worth of contributions?

*Lynette C. Lowe*  
*Finance Director*  
*Southampton County*  
*757-653-3006*

Amt budgeted for FY2012 prior to OPEB Valuation 48,000  
& paid  
Amount that should be pd in FY2012 per new valuation 78,000  
Amount to add to FY2013 OPEB Pymt 30,000

**From:** David Boomershine [mailto:dboomershine@boomershineconsulting.com]  
**Sent:** Wednesday, December 14, 2011 9:54 AM  
**To:** llowe@co.southampton.state.va.us  
**Subject:** Adjusted 2011 phase-in contributions

Normal FY2013 OPEB pymt per valuation 104,000  
Amt to fund OPEB for FY2013 134,000

Lynette -

This email is in follow-up to our recent phone conversation. You asked what would be the adjusted phase-in contribution amounts based on the 2011 actuarial valuations vs. the original calculations. There is a big increase in the County numbers and a small increase in the Schools' numbers.

Based on the 2011 valuation, the original County phase-in annual contribution increment of \$ 16,000 increases to \$ 26,000 - so the third year phase-in amount (2011 - 2012 fiscal year) increases from \$ 48,000 to \$ 78,000.

The original Schools phase-in annual contribution increment of \$ 29,000 increases to \$ 31,000 - so the third year phase-in amount (2011 - 2012 fiscal year) increases from \$ 87,000 to \$ 93,000.

Let me know if you have any questions or if you would liketo discuss further.

David S. Boomershine  
Senior Actuary  
Boomershine Consulting Group, LLC  
Executive Center I  
3300 North Ridge Road, Suite 300  
Ellicott City, MD 21043  
Office: 410-418-5567  
Fax: 410-418-5644

Amt to fund OPEB  
in FY2014 + 104,000  
26,000  
130,000



## Lynette Lowe

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**From:** Emma B. Turner [ebturner@manryrawls.com]  
**Sent:** Friday, March 16, 2012 3:11 PM  
**To:** 'Lynette Lowe'  
**Subject:** Renewal Premium for Budget

Lynette,

Please use a 2.5% increase in premium for your budget. We don't think it will be that much and will do everything to hold the premium increase lower than that. Let me know if you have any questions or concerns.

Thanks,

*Emma*

Emma B. Turner CIC  
Commercial Lines Team Leader  
**Manry-Rawls, LLC**  
P. O. Box 857, 301 N. Main Street  
Franklin, Virginia 23851  
Phone: 757-562-6131; Fax: 757-562-7175  
Website: [www.manryrawls.com](http://www.manryrawls.com)  
Email: [ebturner@manryrawls.com](mailto:ebturner@manryrawls.com)

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